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Old-school budgeting will lead to unnecessarily large deficit

Sen. Sikkema says deficit prediction by budget expert proves the need for change

LANSING – Senate Majority Leader Ken Sikkema today said that predictions by a respected budgetary expert showing a \$1 billion deficit in 2006 prove the case that government needs to change the way it does business.

"These predictions are based on how government has always worked, but we need to realize that system isn't working," said Sikkema, R-Wyoming. "Suggesting that automatic spending increases and premature budget commitments are the way to do business just won't fly anymore. It's time to wake up and smell the red ink."

According to Tom Clay, a former state budget director and current director of state government affairs for the Citizens Research Council, the state is facing a \$1 billion budget deficit in fiscal year 2006. That, according to Clay, includes a 3-percent growth in revenue.

According to the nonpartisan Senate Fiscal Agency, however, if the revenue grows 3 percent, then reaching a \$1 billion deficit would only be possible if spending grew by approximately \$1.5 billion.

"Huge spending increases or committing to spending increases with no clue how to pay for them is what leads to monster deficits," Sikkema said. "Albert Einstein once said, 'Insanity is doing the same thing over and over again and expecting different results.' It's time we stop the insanity in Lansing."

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